

Decision 05-05-029 May 26, 2005

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Examine the  
Commission's Future Energy Efficiency Policies,  
Administration and Programs.

Rulemaking 01-08-028  
(Filed August 23, 2001)

**OPINION GRANTING PETITION OF  
ASW ENGINEERING TO MODIFY DECISION 03-12-060**

**I. Summary**

This order grants the petition to modify Decision (D.) 03-12-060 filed by ASW Engineering (ASW) seeking approval to transfer \$238,154.89 from its 2002-2003 Energy Savers Program budget to its 2004-005 Energy Savers Program budget.

**II. Introduction**

On January 28, 2005, ASW filed a request for authorization to use public goods charge funds from the 2002-2003 ASW Energy Savers Program, allocated by D.02-05-046, to fund customer applications associated with the 2004-2005 ASW Energy Savers Program. Specifically, ASW seeks authorization to increase the incentive dollars of the 2004-2005 Energy Savers Program funded by D.03-12-060, with the monies left from the 2002-2003 Energy Savers Program funded by D.02-05-046.

ASW states that granting its request would satisfy the strong customer demand for ASW's Energy Savers program. The Commission approved a similar request to fund SCE Express Efficiency across different program years for the same D.03-12-060.

### **III. Discussion**

The Energy Savers program provides incentives for very small, and small and medium businesses to install energy efficient equipment. ASW observes that the Energy Division staff found that ASW successfully met the energy savings goals for its 2002-2003 program under budget. ASW would like to use these remaining budget funds for the same program it is implementing for 2004-2005.

ASW states its Energy Savers program has met nearly 70% of its annual energy savings goals with a benefit-cost ratio of 1.55. It believes that by adding \$238,154.89 to the 2004-2005 incentive budget, the program's cost effectiveness will increase by ten percent without adding to its administrative budget. Because of the interest by ASW customers, ASW estimates the additional annual kWhs savings would exceed 1.6 Million kWhs.

### **IV. Conclusion**

The Commission Energy Division staff has reviewed ASW's request and agrees with its assessments of spending, energy savings, and customer interest in this program. We herein grant ASW's request to transfer \$238,154.89 from its 2002-2003 program budget to implement additional installations and incentives as part of its 2004-2005 program. Currently, ASW's program is authorized until December 31, 2005, and it does not seek an extension of time to complete its program.

ASW has retained funds left from its 2002-2003 program, contrary to our intent and practice. ASW should be required to submit to SCE interest on the retained amounts as specified in this order as a condition of spending any additional funds on its 2004-2005 program.

**V. Comments on Draft Decision**

The draft decision of the ALJ in this matter was mailed to the parties in accordance with Section 311(g)(1) of the Public Utilities Code and Rule 77.7 of the Rules of Practice and Procedure. No comments were received.

**VI. Assignment of Proceeding**

Susan P. Kennedy is the Assigned Commissioner and Kim Malcolm is the assigned Administrative Law Judge in this proceeding.

**Findings of Fact**

1. Energy Division reports that ASW successfully completed its Energy Savers Program for 2002-2003 under budget.
2. ASW asks to transfer \$238,154.89 from its 2002-2003 program budget to its 2004-2005 Energy Savers Program and estimates improved cost-effectiveness from the additional.
3. No party protests ASW's petition to modify.
4. ASW has retained 2002-2003 ratepayer funds after completion of its 2002-2003 program without paying interest on the retained amounts.

**Conclusions of Law**

1. The Commission should grant ASW's petition to modify D.03-12-060 subject to the conditions set forth herein.
2. ASW should be authorized to transfer from its 2002-2003 budget to its 2004-2005 budget \$238,154.89 except that it shall remit to SCE interest on all amounts it has retained at the rate earned on prime, three-month commercial paper, as reported in Federal Reserve Statistical Release H.15, beginning with the last day ASW provided services for the 2002-2003 Energy Savers program.

**O R D E R**

**IT IS ORDERED** that:

1. Decision 03-12-060 is modified to increase ASW Engineering's (ASW) budget for its 2004-2005 Energy Savers Program as set forth herein.
2. ASW is authorized to transfer from its 2002-2003 Energy Savers Program budget to its 2004-2005 Energy Savers Program budget \$238,154.89 except that it shall remit to Southern California Edison Company (SCE) interest on all amounts it has retained at the rate earned on prime, three-month commercial paper, as reported in Federal Reserve Statistical Release H.15, beginning with the last day ASW provided services for the 2002-2003 Energy Savers Program. ASW shall not supplement its 2004-2005 budget before it has remitted required interest payments to SCE. The additional program funds authorized herein shall not be used for administrative costs, consistent with ASW' request.
3. Prior to using any funds authorized herein, ASW shall submit to Energy Division a program implementation plan change order to reflect funding changes approved herein for its 2004-2005 program, including proposed increased savings goals and TRC calculations.

This order is effective today.

Dated May 26, 2005, at San Francisco, California.

MICHAEL R. PEEVEY  
President  
GEOFFREY F. BROWN  
SUSAN P. KENNEDY  
DIAN M. GRUENEICH  
JOHN A. BOHN  
Commissioners